

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
AUSTIN DIVISION**

<b>IN RE:</b> <b>ILS PRODUCTS, LLC</b>  <b>DEBTOR</b>	§ § § §	<b>BANKRUPTCY CASE NO. 24-11040</b>
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**MOTION FOR AUTHORITY TO PAY CRITICAL VENDORS**

**THIS PLEADING REQUESTS RELIEF THAT MAY BE ADVERSE TO YOUR INTERESTS. IF NO TIMELY RESPONSE IS FILED WITHIN 21 DAYS FROM THE DATE OF SERVICE, THE RELIEF REQUESTED HEREIN MAY BE GRANTED WITHOUT A HEARING BEING HELD.**

**A TIMELY FILED RESPONSE IS NECESSARY FOR A HEARING TO BE HELD.**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

COMES NOW, ILS Products, LLC (“Debtor” AND “Debtor in Possession”) and files this motion (“Motion”) pursuant to Sections 105(a) and 363(b) of the United States Bankruptcy Code and 11 U.S.C. §§ 101 et. seq. (the “Bankruptcy Code”) for the entry of an order designating Texas Custom Coaters and Herman Packaging Company as critical vendors and authorizing the Debtor to pay prepetition debts owed to this vendor. In support of this Motion, the Debtor would respectfully show the court as follows:

**I. JURISDICTION AND VENUE**

1. The Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334(b). This matter is a core proceeding, and this Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.
2. The statutory bases for relief requested herein are Sections 105(a) and 363(b) of the Bankruptcy Code.

**II. BACKGROUND**

3. On July 25, 2024 ("Petition Date"), the Debtor filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101-1532 ("Bankruptcy

Code").

4. The Debtor continues to manage and operates a medical office business as Debtor-In-Possession pursuant to §§1107 and 1108 of the Bankruptcy Code.
5. The Debtor has identified Texas Custom Coaters and Herman Packaging Company as critical vendors that provide products and services required support to the operations of the business. Both Texas Custom Coaters and Herman Packaging Company are necessary for Debtor to continue manufacturing lighting systems and are critical and necessary to Debtor's operations. Without these vendors, Debtor would not be able to continue to operating.

### **III. REQUEST FOR AUTHORITY TO PAY PREPETITION DEBT**

6. This Court is authorized to approve the payment of the pre-petition claim of Debtor's critical vendor under the doctrine of necessity and Sections 105(a) and 363(b) of the Bankruptcy Code. The doctrine of necessity in Chapter 11 cases derives from the Court's inherent equity powers and its statutory authority to "issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a).
7. As of the petition date, the total amount owed to Texas Custom Coaters is \$76,925.68 and the total amount owed to Herman Packaging Company is \$32,695.14. Debtor has negotiated a payment plan pre-petition to pay the delinquent amount. For this reason, Debtor is requesting authorization to pay each of the proposed critical vendors the amount of \$1,000.00 per week on the pre-petition claim to its critical vendors until the pre-petition debt is cured.
8. If Texas Custom Coaters and Herman Packaging Company are not paid, they will discontinue providing goods and services to the Debtor. Debtor is unable to operate without these vendors, and they are a critical components to the Debtor's business. Without these vendors, the business will cease to operate, and Debtor will be unable to complete a

successful reorganization under Chapter 11.

**V. RELIEF REQUESTED**

For these reasons, the Debtor respectfully requests the Court enter an order authorizing the Debtor to pay both Texas Custom Coaters and Herman Packaging Company the amount of \$1,000 per week on the pre-petition debt as set forth above and grant such other and further relief as the court may deem proper.

Respectfully submitted,

/s/ Robert "Chip" Lane

THE LANE LAW FIRM, PLLC

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(713) 595-8201 Facsimile

PROPOSED COUNSEL FOR DEBTOR

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the Debtor's Motion to Pay Critical Vendor was served upon the US Trustee and to the parties listed on the service list below and on the attached mailing matrix via electronic notice by the court's ECF noticing system including service upon the US Trustee and to the parties listed on the service list below by United States First Class Mail Postage Pre-paid and by electronic mail as listed below on August 29, 2024:

Debtor:

ILS Products, LLC  
1910 E Tom Green St  
Brenham, TX 77833-5129

US Trustee:

Office of the U.S. Trustee  
903 San Jacinto Blvd  
Room 230  
Austin, TX 78701  
[USTPRegion07.AU.ECF@usdoj.gov](mailto:USTPRegion07.AU.ECF@usdoj.gov)

Texas Custom Coaters  
9468 Interstate Dr.  
Navasota, TX 77868

Herman Packaging Company  
8112 Breen Dr.  
Houston, TX 77064

ECF Notifications:

United States Trustee  
[USTPRegion07.AU.ECF@usdoj.gov](mailto:USTPRegion07.AU.ECF@usdoj.gov)

Additional Notices via Electronic Communication:

[retention@1stalliancegrp.com](mailto:retention@1stalliancegrp.com)

[Ops@Alpineadvance.net](mailto:Ops@Alpineadvance.net)

[adin@canfieldcap.com](mailto:adin@canfieldcap.com)

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/s/Robert C. Lane

Robert C. Lane

Label Matrix for local noticing  
0542-1  
Case 24-11040-smr  
Western District of Texas  
Austin  
Thu Aug 29 12:18:42 CDT 2024

ILS Products, LLC  
1910 E Tom Green St  
Brenham, TX 77833-5129

United States Trustee (SMG111)  
United States Trustee  
903 San Jacinto Blvd, Suite 230  
Austin, TX 78701-2450

U.S. BANKRUPTCY COURT  
903 SAN JACINTO, SUITE 322  
AUSTIN, TX 78701-2450

1st Alliance Group LLC  
2875 Ne 191st St Ste 500  
Miami, FL 33180-2832

AWN&R Commercial Law Group, PLLC  
Attn: Jeffrey Parrella, Esq.  
14 Wall Street 20th Floor  
New York, NY 10005-2123

Amazon Capital Services  
PO BOX 035184  
Seattle, WA 98124-5184

American Express  
Bankruptcy Unit  
PO Box 297817  
Fort Lauderdale, FL 33329-7817

Andrew Grant  
1910 E Tom Green St  
Brenham, TX 77833-5129

Ayla Jade Lawson  
1910 E Tom Green St  
Brenham, TX 77833-5129

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39926 Holik Rd  
Brenham, TX 77833-5129

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39926 Holik Rd  
Hempstead, TX 77445-3688

Ayla Lawson  
1910 E Tom Green St  
Brenham, TX 77833-5129

BFI - Ullman Peterson Productions  
515 E Carefree Hwy  
Phoenix, AZ 85085-8839

BlueVine Capital Inc.  
401 Warren St 300  
Redwood City, CA 94063-1536

Bravo U Bolts and Fasteners  
1035 Hollywood St  
Houston, TX 77015-5261

Canfield Capital  
30 N Gould St Ste R  
Sheridan, WY 82801-6317

Champco  
2595 LCR 368  
Groesbeck, TX 76642-2912

(p)CHANNEL PARTNERS CAPITAL LLC  
ATTN JEFF LOTHERT  
1111 E COLLEGE DRIVE SUITE 200  
MARSHALL MN 56258-1979

(p)CLICKLEASE LLC  
1182 W 2400 S  
WEST VALLEY CITY UT 84119-8510

Coconut Funding Corporation  
100 Bayview Cir Ste 200  
Newport Beach, CA 92660-8901

Coconut Funding Corporation  
1225 Franklin Ave Ste 325  
Garden City, NY 11530-1693

David Fogel, P.C.  
1225 Franklin Avenue 201  
Garden City, NY 11530-1890

Eastern Metal Supply Texas  
9400 Telge Rd  
Houston, TX 77095-5109

Fab Services Ltd  
2405 Washington St  
Waller, TX 77484-7305

Faron Kaine  
1910 E Tom Green St  
Brenham, TX 77833-5129

Fox Funding Group LLC  
803 S 21st Ave  
Hollywood, FL 33020-6962

Green Grass Holdings LLC DBA FTC Funding  
1 Whitehall St, 2nd Floor  
New York, NY 10004-2125

Herman Packaging Company  
8112 Breen Dr.  
Houston, TX 77064-8418

Law Offices of Isaac H. Greenfield PLLC  
2 Executive Blvd Suite 305  
Suffern, NY 10901-8219

Linde	PHMG	RDM Capital Funding, LLC DBA FinTap
10 Riverview Drive	401 North Michigan Avenue Suite 2550	777 Passaic Avenue Suite 375
Danbury, CT 06810-6268	Chicago, IL 60611-4227	Clifton, NJ 07012-1875

Ranch Solutions	Rural Media Group, Inc.	Samuel, Son & Co
3491 NC 217	49 Music Square West Suite 301	5022 Ashley Ct
Erwin, NC 28339-5000	Nashville, TN 37203-3243	Houston, TX 77041-6911

Small Business Administration	Texas Custom Coaters	The Cowboy Channel
409 3rd St Sw	9468 Interstate Dr.	130 East Exchange Avenue
Washington, DC 20416-0011	Navasota, TX 77868-5019	Fort Worth, TX 76164-8210

The Fundworks, LLC	The Lane Law Firm	Toby Skinner
299 S Main St Ste 1300 Pmb 93894	6200 Savoy Dr Ste 1150	16915 South Greenfield Road
Salt Lake Cty, UT 84111-2241	Houston, TX 77036-3369	Gilbert, AZ 85295-1916

U.S. Small Business Administration (SBA) - A	UPS	Uline
Little Rock Commercial Loan Servicing Ce	P.O. Box 650116	Attn: Legal Dept
2120 Riverfront Drive 100	Dallas, TX 75265-0116	12575 Uline Drive
Little Rock, AR 72202-1794		Pleasant Prairie, WI 53158-3686

United States Trustee - AU12	XPO , Inc.	Zimmerman Steel & Supply Company, LLC
United States Trustee	Attn: Legal Dept	18543 Davis Rd
903 San Jacinto Blvd, Suite 230	Five American Lane	Dalton, OH 44618-9697
Austin, TX 78701-2450	Greenwich, CT 06831-2551	

Robert Chamless Lane  
The Lane Law Firm PLLC  
6200 Savoy Dr Ste 1150  
Houston, TX 77036-3369

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g)(4).

Channel Partners Capital LLC	Clicklease LLC
11100 Wayzata Blvd Ste 305	1182W W 2400 S
Hopkins, MN 55305-5537	West Valley City, UT 84119

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d) ILS Products, LLC

End of Label Matrix

1910 E Tom Green St

Mailable recipients 48

Brenham, TX 77833-5129

Bypassed recipients 1

Total 49